Written evidence submitted by the Chief Economic Development Officers Society (RUT0160)

Marketing

• Rural tourism must be promoted effectively at national, sub-regional and local level, with joined-up working and a sufficient level of funding for each.

• VisitEngland has a key role but there is concern about the reduction in its funding.

• National promotion of rural tourism, with its reliance on generic marketing messages, can under-sell the variety of tourism experiences in rural areas. It needs to work alongside sub-regional and local promotion of rural tourism.

• Co-ordination at the county/sub-regional level is needed to avoid unnecessary competition between local agencies and confusion amongst potential customers, whilst at the same time supporting local initiatives.

• Adequate funding for Destination Management Organisations (DMOs) is essential. Ideally this would be self-funded by the industry but with many businesses being small, there remains a need for public funding.

• Government should support rural tourism with a long-term strategy and funding programme, which ensures VisitEngland is well resourced and provides revenue funding for county/sub-regional DMOs. It should consider devolving some VisitEngland funding to local partnerships.

Access

• Good access to enable people to reach rural areas is essential to make the most of rural tourism opportunities and reduce pressures on tourist hotspots within rural areas.

• Government must recognise the importance of rural tourism in its transport investment and maintenance plans. For rural tourism to realise its full potential, investment in improving and maintaining good access, both road and rail, to existing and emerging destinations is essential.

• With the pressure on funding for local highway authorities and the current over-reliance on reactive maintenance, the condition of many rural roads, which are vital to rural tourism, is becoming increasingly neglected.

• Improvements to public transport are equally important. Where there are rail services, more needs to be done to ensure adequate access at weekends and frequency throughout the day.
• Better bus links to rural areas from towns are needed at peak visitor times, including enabling those staying overnight in rural areas to enjoy good access to town centre attractions and evening entertainment.

• Whilst there are no easy answers, action is required. More national investment is needed with more devolution to enable solutions to be tailored to meet local needs and requirements. There also needs to be a focus on developing innovative public transport solutions.

• Rights of way are unique assets that make an important contribution to rural tourism. Local authorities need to have sufficient resources and powers to preserve, create or reinstate them as access routes for pedestrians and cyclists.

**Funding and fiscal policies**

• We welcome the launch of a new business advice hub by VisitEngland. There is a need to go further and for all Growth Hubs to have specialist business advisers with expertise in the tourist sector. This could be supported by a rural start-up and growth programme for each area.

• There is a need to ensure consistent support and funding for rural tourism - too many initiatives are reliant on short-term support. Competitive bidding for limited funding does little to encourage the long-term development of a sustainable rural visitor offer.

• The Government must ensure that funds already granted through EU rural programmes remain available for tourism businesses to the end of the current programmes and that when the UK exits the EU, the funding streams are replaced by national ones that will promote the growth of rural tourism.

• The Government needs to review its approach to supporting local areas following severe storms and other adverse events and take into account the long-term effects on the rural economy.

• The UK tourist industry is at a disadvantage compared to other European countries, which benefit from a reduced level of VAT. The tourism market is very competitive and a reduction in VAT on key tourism services such as visitor accommodation and attractions would boost tourism including rural tourism.

• There is a case for a further assessment of the business rates system for small rural tourism businesses but this will need to take place within the context of 100% business rate retention by local authorities and the fact that business rate revenue will be key to providing council services, including support for tourism.

**Planning and regulation**

• Any review of regulations must take account of the need to protect the landscapes and special character of heritage market towns and villages that are essential to the future of rural tourism.
• Local planning authorities need to have sufficient powers to protect, create or reinstate Rights of Way that make an important contribution to rural tourism.

• Planning policy and regulations need to enable ease of conversion of farm buildings for tourism and other appropriate economic activities in rural areas, recognising that many CEDOS member authorities already have positive planning policies to support rural diversification and increasingly recognise the significant impact the environment can have on the economy.

Infrastructure and skills

• Reliable high speed broadband and mobile phone connectivity are essential for visitors and tourism businesses alike. Many rural areas are at major disadvantage and Government must act to secure high speed broadband in the final 5% of rural areas and to tackle mobile phone not-spots.

• It is equally important to ensure that rural tourism businesses are able to benefit from improved connectivity, with appropriate development of digital skills aligned to business support activities.

• The importance of the public realm to rural tourism and the need for investment in it must be recognised. National funding streams e.g. Local Growth Fund and challenge funds, should recognise the economic impact of the public realm and such schemes should not be discouraged by current economic impact analysis.

• Tourism is a labour intensive industry and the success of rural tourism will depend on having access to sufficient skilled workers. An ongoing campaign to raise awareness and improve perceptions of the industry is needed.

• Training provision must be aligned with the needs of tourism businesses. Rural tourism is dominated by small and micro businesses, which often lack the resources to improve their skills in key areas such as ICT, management, marketing and customer care. They need to be assisted by public initiatives.

Local environment and character

• For rural tourism, it is important for areas to have a strategy and management plan with a clear vision of what type of tourism should be encouraged and promoted. It is recognised that the wide range of tourism promotion structures that exist across the country, with varying local authority and Local Enterprise Partnership support, can make this difficult, and this underlines the need for co-ordination at the county/sub-regional level.

• The natural and built environments are vital parts of the distinctive attractions of rural areas. There is a need for evidence-based Natural Capital Strategies, which recognise that environmental assets are an essential component of local and national infrastructure.
Defra’s role

- Defra has a key role to ensure that other Departments and their agencies understand the significance of rural areas to the visitor economy. It needs to be a stronger voice in Government, acting as a Rural Champion:
  - promoting the value of rural infrastructure;
  - ensuring specific rural funds are not used to displace mainstream investment and that a proportionate amount of Government investment in tourism is spent in rural areas;
  - re-invigorating rural proofing and cross departmental co-operation;
  - ensuring that the principles and processes of assessing natural capital are implemented consistently in Government policy and practice.

Introduction

1. This Memorandum of evidence is submitted by the Chief Economic Development Officers Society (CEDOS). The Society represents Heads of Economic Development in upper tier local authorities throughout England. Membership includes county, city and unitary Councils. The Society carries out research, develops and disseminates best practice, and publishes reports on key issues for economic development policy and practice. Through its collective expertise, it seeks to play its full part in helping to inform and shape national and regional policies and initiatives.

2. CEDOS welcomes the Committee’s decision to hold this important Inquiry into the role of tourism in supporting rural growth in England. We are pleased to put forward our views for which we have consulted with our members from across the country. In our evidence we focus on the key questions set out in the launch of the Inquiry and in the context of its overall objectives.

3. In our view, if we are to drive forward economic growth in this country we need to make the most of the economic opportunities of all areas and sub-regions. This must include our rural areas, which are a vitally important part of our economy and where rural tourism, which provides around £17 billion a year to the English economy, is a key component for economic growth. It has high growth potential if appropriately promoted and developed and is integral to the development of other sectors of the rural economy.

4. However, although England has seen a rise in tourism spend in the past year from both domestic and international visitors, figures published by VisitEngland show that in 2014 just 18% of domestic overnight trips were taken to rural areas, down from 22% in 2012. As the Committee pointed out in launching this Inquiry, rural communities face some particular challenges to tourism growth such as transport connections, restrictions to broadband access and seasonal employment.
The Key Inquiry Questions

1. Marketing

How well do agencies promote rural destinations across England?

5. To maximise its contribution to both local and national growth, rural tourism needs to be marketed effectively at national, sub-regional and local level. This requires a sufficient level of funding for each level and joined-up working between them.

6. As the national tourist board for England, VisitEngland has a key role to play. However, there is real concern about the reduction in its funding since it was established in 2010. It will be important that it does not have further reductions in its funding.

7. Whilst the national promotion of rural tourism is important, by its nature it tends to rely on developing consistent messages, which can fit generically or thematically with wider destination marketing. Defining rural tourism in terms of categories such as ‘Dramatic Countryside’, ‘Market Towns and Villages’ and ‘Rural Countryside’ can under-sell the wide variety of tourism experiences offered by rural areas. As VisitEngland’s Rural Tourism Action Plan itself said “The diversity of the rural tourism offer means that the challenges and opportunities will differ from area to area”.

8. National promotion needs to work alongside effective sub-regional and local promotion of rural tourism. The demise of tourism promotion at the regional level with the closure of the Regional Development Agencies underlines the importance of effective and well-funded sub-regional and local Destination Management Organisations (DMOs). For rural tourism, the county/sub-regional level is particularly important. There is concern at too much fragmentation at the local level, something acknowledged in the Government’s 2015 Backing the Tourism Sector report, which said: “a fragmented tourism landscape and a wide variety of funding sources can hamper the effective coordination of tourism offers and their promotion. Where local destination organisations compete against each other rather than collaborating, it becomes harder for the visitor and business alike”.

9. Joined-up working between the different levels with coordination at the county/sub-regional level is essential to avoid unnecessary competition between local agencies and confusion amongst potential customers, whilst at the same time supporting local initiatives. As one of our members told us “where an overarching approach has been adopted, which takes into account existing brands but which also offers a wrap-around approach to marketing and data gathering, this can allow us to celebrate the variety that England has to offer, avoid local disenfranchisement and enable a consistent approach to monitoring and data collection as well as achieving some economies of scale”.

10. Adequate funding for DMOs is essential but the reality is that there is significantly reduced public funding available for tourism destination promotion. With the demise of the Regional Development Agencies, Government funding to support tourism has fallen significantly. At the same time, with cuts to their funding, local authority resources are stretched to provide support in this area. According to the Tourism Alliance, the closure of

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1 Backing the Tourism Sector - A Five Point Plan Department for Culture, Media & Sport July 2015
2 See for example Tourism House of Commons Culture Media & Sport Committee March 2015
RDAs resulted in a loss of £65 million p.a. on tourism growth and development and local authority funding of tourism has fallen by approximately 50% since 2008. In an ideal world tourism marketing and promotion initiatives would be self-funded by the industry but in rural areas, where many businesses are small, this is unrealistic. There remains a need for public funding to support the marketing of rural tourism.

11. The reduction in central and local government core funding for tourism means that rural tourism is increasingly dependent on grants e.g. from the Coastal Communities Fund and the Heritage Lottery Fund and on European funding. Around £80 million is allocated to rural tourism businesses via the EU Common Agricultural Policy through the Rural Development Programme for England (RDPE) and the LEADER programme whilst European Structural and Investment Fund (ESIF) funding is particularly important to rural destinations such as Cornwall, where tourism is a large component of the economy and is an economic driver for other sectors for example food and drink added value and local production.

12. International agencies also have an important role, as for example in Cornwall and Devon where in 2006, UNESCO designated ten mining landscapes across Cornwall and West Devon as a World Heritage Site. The designation focuses on an integrated approach to tourism product management, business engagement and promotion. Since the designation, over £1 million has been invested in improving the facilities of mining visitor attractions and the project has directly engaged 400 businesses and enabled a sustainable model for attractions and venues.

**What more should the Government do to support this work?**

13. In our view it is essential that Government supports the marketing, promotion and further development of rural tourism in England by:

- putting in place a long-term strategy and funding programme for the next 10-15 years;
- ensuring VisitEngland is well resourced to provide the necessary national promotion and to provide and facilitate data gathering and research on visitor behaviour to inform rural tourism marketing and development;
- giving more recognition to and providing revenue funding for county/sub-regional Destination Management Organisations;
- considering devolving some VisitEngland funding to local partnerships to ensure a greater focus on the visitor assets of areas.
2. Access

What, if any, changes are needed to give people better access to the coast and countryside?

Road & rail access

14. Good access to enable people to reach rural areas is essential to make the most of rural tourism opportunities and reduce pressures on tourist hotspots within rural areas e.g. some coastal holiday destinations. Clearly access issues vary in different areas of the country depending on location and distance from main centres of population and entry points for overseas tourists. Overall, though, Government must recognise the importance of tourism, including rural tourism and the income it generates, in its transport investment and maintenance plans. For rural tourism to realise its full potential for the national as well as rural economies, investment in improving and maintaining good access, both road and rail, to existing and emerging destinations is essential.

15. For roads, as well as improving access, proper planned maintenance of the existing road network is needed. Government must recognise that the pressure on funding for local highway authorities and the current over-reliance on reactive maintenance is such that the condition of many rural roads, which are vital to rural tourism as well as to the rural communities themselves, is becoming increasingly neglected.

Public transport

16. Improvements to public transport are equally important to make the most of rural tourism and the visitor experience. With an ageing population, this is increasingly important. Inadequate public transport services undermine the quality and range of visitor experiences that rural locations can offer and can deter some potential holiday visits completely. Where rural areas are served by rail services, more needs to be done to ensure adequate access at weekends from main railway hubs and frequency throughout the day.

17. An essential part of improving public transport is the provision of better bus links to rural areas from towns at peak visitor times, including enabling those staying overnight in rural areas to enjoy good access to town centre attractions and entertainment in the evenings – something that would also help enable workers from rural areas to work at tourist attractions.

18. Clearly there are no easy answers to these issues and it is recognised that the demands of seasonal holidaymakers are rarely able to be factored in to rural bus service routes and timetables because of cost constraints. Nevertheless action is required. More national investment is needed and there needs to be more devolution to enable local areas to control sustainable transport resources and be able to tailor solutions to meet local needs and requirements. Bus franchising powers should be devolved to local areas that wish to take them on and can demonstrate that they meet readiness conditions. This should not be conditional on having a directly elected mayor.

19. There needs to be a focus on developing innovative public transport solutions to cater for the needs of visitors. It will be helpful to know what, if any, work on potential solutions has been done at national level on - to give just one example - whether incentives could be
given for rural businesses to cooperate on subsidising visitor ‘night rider’ schemes. The sharing of best practice from national and international experience would be welcome.

Cycling and walking

20. Rural tourism can also be boosted by maintaining, improving and creating accessible walking and cycling routes to and within England’s coast and countryside. An example is provided by Devon, where there has been an increase in cycling along the Exe Estuary Trail, which has also led to the establishment of new small micro businesses along the route, providing cycle hire and food and refreshment facilities. Rights of way are also unique assets that make an important contribution to rural tourism. Local authorities need to have sufficient resources and powers to preserve, create or reinstate access routes for pedestrians and cyclists e.g. in the countryside, along waterways and coastal paths.

21. An example of what can be achieved by action on public transport and cycling/walking routes is provided by East Sussex, where the County Council has been able to integrate transport modes e.g. by shared train and bus scheduling and ticketing and by improving cycling and walking routes (signage, family friending routes, improved surfacing). Through this they have attracted national editorial, increased visitors and improved visitor perceptions and the Council’s investment in sustainable transport links and choices has helped to protect the viability of the area it is marketing.

3. Funding and fiscal policies

How can public funding be best targeted to get new rural tourist businesses off the ground and keep them going?

Business support

22. The Government’s recent Tourism Action Plan published on 26 August 2016 recognises that “the tourism sector is overwhelmingly comprised of SMEs providing employment in some of our most rural communities” and says that it will be reviewing how best to support businesses to succeed and grow\(^3\). In this context we welcome the launch of a business advice hub by VisitEngland earlier this year designed to bring information on business support together in one place.

23. In our view there is a need to go further and for all Growth Hubs to be resourced to have specialist business advisers with expertise in the sector. The sector has distinctive needs and requires experts who are hospitality and accommodation orientated and able to recommend measures to improve standards of customer care and productivity. This could supported by a rural start-up and growth programme for each area, which could include funding to assist with feasibility and concept planning costs.

Consistency, co-ordination and alignment of public funding

24. There are a number of existing funds that support rural tourism e.g. Rural Development Programme, Heritage Lottery Funding, Coastal Communities Funding, Discover England Fund, which in our view would benefit from greater co-ordination and alignment with

\(^3\) Tourism Action Plan Department for Culture, Media & Sport 26 August 2016
tourism strategies at both national and sub-regional level. There is a need to ensure consistency of support and funding for rural tourism - too many initiatives are reliant on short term support from fixed term programmes. Competitive DCMS/VisitEngland bidding announcements for limited funding (both scale and longevity) do little to encourage the long-term development of a sustainable rural visitor offer. Furthermore, there is a need to ensure that tourism related projects are not discouraged as part of wider national economic growth schemes, such as the Local Growth Fund and previous Regional Growth Fund. Here consideration of the wider economic impact of the natural environment and public realm should be included in appraisal methodology.

**EU Funding and its replacement**

25. Our attention has been drawn to Government indecision on EU Rural Development Funding following the EU referendum and the serious impact this is having. One of our members has made the point that “there has been significant expectation, project development and planning in anticipation of the small-scale tourism infrastructure and tourism cooperation grants through EAFRD. However the calls have been delayed and delayed – in contrast to ESF funds for example - and now they could be delayed indefinitely”. The Government must ensure that funds already granted through the EU rural programmes, including LEADER and the EAFRD Rural Growth Programme and ESIF programmes, remain available for tourism businesses to the end of the current programme in 2020 and that when the UK exits the EU, these funding streams are replaced by national funding mechanisms that will promote the growth of rural tourism.

26. There is also the wider need to consider the scale of funding available and fund criteria compared to the ability and scale of those largely SME businesses. For example minimum value applications may very will discourage smaller scale operators from bidding. Likewise, more may be required to deliver national scale support, for example through local Growth Hubs etc as noted, where alignment with existing Government/local policy can be shown.

**Special funding for areas suffering adverse economic or weather events**

27. The impact of major adverse events on areas significantly dependent on tourism has been shown by the consequences of the severe storms in Cumbria in December 2015 and in Cornwall and Devon in February 2014 and in 2011/12. In Cumbria it was estimated that more than £2 million could be wiped off the local tourism industry as a result of the storms. The Government needs to review its approach to supporting local areas following such incidents and needs to take into account the long-term effects that a lack of customer confidence in the tourism offer can have on the rural economy. The Flood Resilience Review is awaited and we are aware that its delayed publication has prompted concerns.

**Are changes needed to tax levels and business rates?**

**Taxation**

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4 In addition to the impact on tourism there is also the effect on domestic spend in local service centres e.g. Looe or Newlyn in Cornwall which have been badly hit by flooding repeatedly over the years. Flooding also impacts on access for other vital and connected sectors such as agriculture.
28. The tourist industry in this country is at a disadvantage compared to 31 other European countries, which benefit from a reduced level of VAT. The tourism market is a very competitive one and a reduction in VAT on key tourism services such as visitor accommodation and entry to attractions would boost tourism generally, including rural tourism. It would assist the development of a year-round visitor economy, which for many rural areas remains an unfulfilled aspiration. This would have a positive impact on the sustainability of employment, the retention of skills and the wider rural economy. The Tourism Alliance and others have highlighted the findings of a report by Professor Adam Blake of Bournemouth University together with analysis by Deloitte/Tourism Respect, which provide evidence that suggests reducing VAT on key tourism services such as visitor accommodation and entry to attractions could boost GDP by £4 billion a year, create 80,000 jobs over 2 to 3 years; and deliver £2.6 billion to the Treasury over 10 years.

Business rates

29. The Government’s announcement in the Budget of extended small business rate relief will be welcome for many of the micro and small businesses that characterise the rural tourism industry and the rural economy overall. That said, with the seasonal nature of many tourism businesses in rural areas and business rates not being sensitive to seasonality, there is a case for a further assessment of the rates system for small rural tourism businesses, including in the context of Rural Enterprise Zones and Tourism Business Improvement Districts. However, this will need to take place within the context of the introduction of 100% business rate retention by local authorities and the fact that in future, business rate revenue will be key to providing council services, including local authority support for tourism.

4. Planning and regulation

What, if any, changes are needed to planning and other regulations covering rural areas of special character, such as National Parks, to encourage sustainable tourism?

30. In consulting with our members, a number of issues have been raised:

- any review of regulations must take account of the need to protect the landscapes and the special character of heritage market towns and villages that are essential to the future of rural tourism;

- Rights of Way for pedestrians and cyclists are unique assets that make an important contribution to rural tourism; local planning authorities need to have sufficient powers to protect, create or reinstate these Rights of Way;

- supporting farmers to diversify into tourism and grow their businesses is a key part of developing rural tourism; planning policy and regulations need to enable ease of conversion of farm buildings for tourism and other appropriate economic activities in rural areas, recognising that many CEDOS member authorities already have positive

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5 Tourism Sector VAT analysis: A Report on the Impact of Reduced VAT Rates on British Visitor Accommodation, Attractions and the Wider Economy Deloitte with Graham Wason and Michael Nevin February 20111
planning policies to support rural diversification and increasingly recognise the significant impact the environment can have on the economy;

- viability concerns in many rural areas may lead to loss of employment land in rural areas to housing; whilst recognising the economic impact of housing and the need to provide a choice and range of rural housing, Permitted Development Rights and change of use to Non B employment land should be considered (taking into account local circumstances and need) to seek to ensure that there continues to be a vibrant and diverse economy in our rural areas.

5. Infrastructure and skills

What measures are needed to ensure transport, housing and other infrastructure meets visitor needs?

31. The issue of transport infrastructure both in terms of road access and maintenance and of public transport is covered above in relation to the Inquiry question on access. In addition, we would like to focus on two other key infrastructure issues: Internet access and mobile phone coverage; and investment in the public realm.

High speed broadband and mobile phone connectivity

32. Reliable high speed broadband and mobile phone connectivity are increasingly essential for visitors and tourism businesses alike. This includes farm tourism where, as the National Farmers Union (NFU) has pointed out “digital connectivity is vital to the success of many on farm diversification enterprises including promoting tourism”\(^6\).

33. Many rural areas including many that are particularly dependent on rural tourism are at major disadvantage as underlined in a recent House of Commons Briefing Paper\(^7\). Ofcom’s Connected Nations report\(^8\) states that the whilst the availability of superfast broadband in rural areas has increased from an estimated 22% in 2014 to 37% in 2015, nearly half of all rural premises (1.5 million) are connected by fixed lines that are unable to receive broadband speeds of more than 10Mbps. Indeed many can only receive speeds that are significantly lower than this.

34. As regards mobile phone reception, the Ofcom report highlighted the fact that complete and partial not spots are more prevalent in rural areas, whilst the NFU has pointed out that when the Government’s Mobile Infrastructure Project closed in 2016, it had fallen far short of its aim to improve coverage for 60,000 UK premises out of some 80,000 known not-spots and only 75 of 600 proposed masts had been completed.

35. If we are to grow rural tourism, the Government must act to secure the availability of high speed broadband in the final 5% of rural areas and to tackle mobile phone not-spots. We broadly support the Universal Service Obligation, but note concerns at the Government decision that it will not automatically roll out broadband to those areas of the UK that lack high speed connections and rely on homes and businesses having to request providers to

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\(^6\) Spotlight on Farm Broadband & Mobile Networks NFU May 2016
\(^7\) Superfast Broadband Coverage in the UK House of Commons Briefing Paper August 2016
\(^8\) Connected Nations 2015 Ofcom December 2015
offer connections. This could seriously dis-benefit many rural areas, who will largely not be covered and clarification is needed on the speed of response to requests, how the process will work, reviews on minimum speeds to meet consumer demand and who will pay, noting that there should be no additional burden on local authority budgets, with many members already investing millions of pounds to support the rollout of superfast broadband.

**Investment in the public realm**

36. If rural tourism is to prosper and grow the value of the public realm needs to be recognised and there needs to be adequate investment in such things as the satisfactory availability and quality of public conveniences, parking provision and the maintenance of walls, hedgerows and footpaths. The fundamental issue for local authorities is the impact of the continuing cuts to their funding. National funding streams e.g. Local Growth Fund and challenge funds, should recognise the economic impact of public realm and such schemes should not be discouraged by current economic impact analysis.

6. **How can the sector ensure there are enough people with the right skills to support customers and businesses?**

37. Tourism is a labour intensive industry and the success of rural tourism will depend on having access to sufficient skilled workers. The Government’s 2015 *Backing the Tourism Sector* report recognised the concerns that negative perceptions of the industry as a source of low-paid, seasonal work are deterring high potential individuals from seeking a career in the sector. We welcome the fact that the Government’s new *Tourism Action Plan* states that over the coming year, it will be working with the Tourism Industry Council to undertake a programme of work “to promote the tourism sector as a great place to build a career”.

38. Raising perceptions of tourism as a career needs to be an ongoing process and this must involve working closely with local authorities and their partners at local level, which have a key role to play. The importance of this work will be intensified with Brexit, given the numbers of employees in the hospitality and tourism businesses that are EU and other migrants. At the same time, given the seasonal nature of many rural tourism operations, Brexit will be likely to intensify a need for work permits to be available for rural tourism businesses to make best use of and/or recruitment and training campaigns in local labour markets.

39. In ensuring the sector has enough people with the right skills, it is essential to align training provision with the needs of tourism businesses. With rural tourism dominated by small and micro businesses, the availability of advice and training for the businesses themselves in key areas such as ICT, management, marketing and customer care is vital. Small rural businesses often lack the resources to improve their skills in these key areas and need to be assisted by public initiatives to collaborate to achieve this. Large business will also require local support to maximise the economic benefit to the area of tourism developments. For example Central Bedfordshire Council worked closely with Centre Parcs on the opening of its new Woburn facility through supporting local training and employment workshops to support their recruitment plans.

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9 *Backing the Tourism Sector - A Five Point Plan* Department for Culture, Media & Sport July 2015
10 *Tourism Action Plan* Department for Culture, Media & Sport 26 August 2016
40. Some important areas for ensuring there are enough people with the right skills that have been highlighted by our members are:

- customer service, where initiatives such as WorldHost training are crucial to improving visitor experience in rural tourism businesses; and where technology is of increasing importance in terms of new ways for businesses to interact with customers such as online via digital and social media channels;

- encouraging more young people into the industry through schemes such as The Big Hospitality Conversation, a nationwide initiative led by the British Hospitality Association in partnership with Springboard, Believe in Young People, Department of Works & Pensions and others;

- foreign language skills, which are increasingly important with the drive to attract more overseas visitors to rural areas;

- ensuring that more, high quality apprenticeships are on offer in tourism businesses.

7. Local environment and character

How can national and local policies get the right balance between growing tourism and enhancing the local environment and character?

41. Clearly both are essential to the rural economy and they are inter-linked and inter-dependent. Local planning policies have a key role in achieving the right balance and ensuring both are deliverable. For rural tourism it is important for areas to have a tourism strategy and management plan with a clear vision of what type of tourism is appropriate and should be encouraged and promoted. It is recognised that the wide range of tourism promotion structures that exist across the country, with varying local authority and Local Enterprise Partnership support, can make this difficult, and this underlines the need for co-ordination at the county/sub-regional level.

42. The natural and built environments are vital parts of the distinctive attractions of rural areas. There is a need for Natural Capital Strategies and approaches, which recognise that environmental assets are an essential component of local and national infrastructure. As the Natural Capital Committee has said “if economic growth is to be sustained, natural capital has to be safeguarded”\(^{11}\). Natural Capital Strategies need to be evidence-based e.g. identifying which types of sites are most attractive to visitors; assessing the capacity of natural environments to cope with additional visitor numbers; and should include the valuation of environmental assets, to ensure that their total value is understood.

8. Defra’s role

What more should the Department for Environment, Food and Rural Affairs do to ensure government departments (including Departments for Communities and Local Government, Business, Innovation and Skills, Culture Media and Sport and HM Treasury) support rural tourism?

\(^{11}\) Third State of Natural Capital report Natural Capital Committee September 2015
43. We welcome the formation of the inter-ministerial group to co-ordinate and align action across government to ensure that we have the right infrastructure in place to make it easy for visitors to discover the best of what this country has to offer. Within this group and more widely within Government, Defra has a key role to ensure that other Departments and their agencies understand the significance of rural areas to the visitor economy; that all of the Government’s policies target rural economic growth as well as urban economic growth; and that all Departments assess how each of their policies and roles affect the rural economy and rural tourism.

44. Defra needs to be a stronger rural voice in Government, acting as a Rural Champion and liaising with wider departments, including:

- promoting the value of rural infrastructure as a factor that attracts inward investment as well as supporting the visitor economy;

- ensuring that specific rural funds are seen as rural premiums and are not used to displace mainstream investment that Government or other EU programmes would ordinarily have made\(^\text{12}\).

- ensuring that a proportionate amount of Government investment in tourism is spent in rural areas;

- re-invigorating rural proofing and cross departmental co-operation;

- ensuring that the principles and processes of assessing natural capital are implemented consistently through wider Government policy and practice.

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\(^{12}\) The D2N2 Local Enterprise Partnership has established a ‘rural reference group’ to monitor this and ensure that its rural areas get the maximum benefit from investment programmes.

September 2016